



Hope for Children Organization Australia Ltd.

2020 – 2021 Annual Report



Presented to The Board of Hope for Children at 2021 AGM, 30 November 2021

Approved by The Board of Hope for Children at 2021 AGM, 30 November 2021

**On behalf of The Board
Marcelle Anderson
Secretary of Hope for Children**

Introduction

This Annual Report covers the reporting period of July 1, 2020 to June 30, 2021. The annual report presents the program of HFC and key accomplishments, changes and challenges during the 2020-201 period.

Our History

- Founded by Jacqui Gilmour in 2004, Hope for Children works in Ethiopia to support vulnerable children, young people and their families to realize their inherent potential. HFC registered in Australian as a not-for-profit company in May 2004 with the objective of carrying on work in Ethiopia in the areas of health, education and training, livelihoods and raising funds for these purposes. .
- Partnering with HFC Ethiopia, HFC funded the delivery of a range of programs in Addis Ababa, eastern Ethiopia for Orphan and Vulnerable Children (OVC) particularly those impacted by HIV/AIDS. These programs included providing free quality education - School od St Yared, Self-Help Groups, a family planning, sexual and reproductive health program for young people and their families, skills training for HFC community members.
- In 2009 HFC gained OAGDS from the Australian Taxation Office and AusAid, which gave it tax deductibility status in Australia allowing it to increase its fundraising efforts for Ethiopia.
- In 2010 HFC registered in Ethiopia as a foreign charity under the new Ethiopian Charities and Societies Proclamation 2009, licensing it to implement and fund programs directly in Ethiopia.

Hope for Children Today

Today HFC continues to serve orphans and vulnerable children (OVCs) and their families as well as their communities. Since May 2019 HFC's Head Office moved to Forensai and employ approximately 45 Ethiopian staff including development professionals, teachers, a communications officer, counselors, and livelihood experts, among others.

In the reporting period we have had one project site in Addis Ababa and one Operating Agreement with the Addis Ababa City Administration. The total number of beneficiaries in 2020/2021 is

Over 2,500 direct beneficiaries

Over 15,000 indirect beneficiaries

In Australia,a small and largely voluntary team provide administrative, financial and funding support to the Ethiopian country office.

Our Vision

An Ethiopia where vulnerable communities have the capacity and resources to participate fully in creating meaningful solutions for their lives

Our Mission

HFC works with vulnerable Ethiopian communities in the areas of health, education and livelihoods. HFC's approach is two-fold: to foster community-based participation, resilience and creative problem-solving to address current challenges; and to develop replicable models of success for dissemination across Ethiopia.

Our Values

HFC's core values guide our work:

- *We believe in human potential.*
- *We strive for innovation, creativity and resourcefulness in all of our work.*
- *We believe the community's where we operate have a vital role to play in our decision-making processes and work.*
- *We believe in building trust with our stakeholders by operating with accountability and transparency.*

MESSAGE FROM THE HFC FOUNDER



It has been a challenging year working amongst very poor people on the outskirts of Addis Ababa. My trips to Ethiopia have been disrupted and not being able to have the face to face, ongoing working relationship and meetings with our staff and community has been something we have had to work through. The internet connection has not always been available which adds to the communication issues.

Our staff and community have done extremely well supporting each other during the challenges stemming from the pandemic and instability in the country. Based on the trust we have within the Community, developed over many years of working closely together, the outcomes were very rewarding.

Organisation continues to grow and succeed during the unprecedented times.

I would like to thank each and every member of the team and all the supporters and donors for their understanding and patience in their support of us.

MESSAGE FROM THE HFC BENEFICIARIES



After over eight months of lockdown the excitement of returning to school, seeing friends and teachers, and participating in classes could be heard all around the school in the happy chatter, singing and playground sports.

An enthusiastic Grade 5 student told one of his teachers that being home for so long was boring because he missed school, His mother wouldn't let him outside very often to play football with his friends due to fear of Covid-19. He said that the best thing about coming back to classes was that he learnt a lot and his head got full of ideas - he loved that!

All students were particularly excited when school returned because they were back at St Yared's. They were so happy and joyful to be back to a safety of the school playgrounds, gardens and teachers and the chance to see their friends again.

This year HFC highlights

- In the third week of September, Ethiopian state of emergency announced at the beginning of April 2020, was declared over. HFC grounds were professionally cleaned and disinfected to minimise risk of COVID-19



- This school year officially started in December with remarkable success of SSY 2020 graduates. All SSY students successfully pass the National Exam with remarkable average grade of 86%; 30% of them scored over 95% and **one student received 99.8%, which was one of the best results in the country!**
- In February, the school was awarded by the Education Department for its cleanliness, effective school management and staff wellbeing. **The school was named the best school in the district.**
- **Congratulation to the School of St Yared!**
- In March, the school celebrated **Art and Innovation Day**. We had incredibly special guests attending from the Ethiopian Education Department, the Addis Ababa Mayor office, and our community representatives. New Australian Ambassador to Ethiopia, Jenny Da Rin was our main guest, and her encouraging words were highly appreciated by all students.



- In May, We have welcomed **Martha Gashe as Head of HR and Administration**. Martha has already taken her role to a new level and made significant progressive changes. Martha's positive and 'can do' attitude as well as her gentle yet consistent leadership guidance is highly inspirational for all HFC employees.
- In June, Hope for Children become **an official signatory to Australian Council for International Development (ACFID) Code of Conduct**, another significant landmark goal achieved! We are now awaiting a full ACFID membership to be granted at ACFID AGM in November.

"For the last 20 years HFC has been working with very complex issues impacting communities already severely disadvantaged, figuring out sustainable solutions as the need for them arose, which wasn't always easy. Becoming ACFID member gives all of us at HFC recognition, validation of our efforts and a great opportunity to further excel and to grow. We believe collaboration, experiences sharing and learning from others is the most effective way to strengthen and improve our efforts in International Development, as this work cannot be done in isolation."

Jacqui Gilmour, Founder and Director of Hope for Children

- In June, the Ethiopian government has approved a grant to Hope for Children of 80,000 square meters of land, in the area where the organization currently operate, The School of St Yared. This land package will become the new site for the School.



The construction process is scheduled to start as soon as the official right to the land 'Title Deed' is received.

"This land grant is significant for a number of reasons. Hope for Children is the only organisation to be granted land from the current Government in the last 18 months and as the only international organisation to be granted land rights in Ethiopia, we believe this is in recognition for the years of community development we have led in the country.



This process started over 11 years ago and the hours of work and dedication that has been shown by our team in Ethiopia and at our head office in Perth has been inspiring to witness. It is also hugely significant as it gives The School of St Yared, our students and our community certainty. It gives us a permanent home.

It gives us the opportunity to expand, knowing that we can do so with confidence. It allows us to support more children, their families and their communities who need us."

Jacqui Gilmour, Founder and Director of Hope for Children



- Throughout June, all HFC staff participated in a professional development and a performance management training focusing on setting up goals for next year, effective performance, teamwork, leadership skills, effective and communication skills. The workshop was very engaging, motivational, interactive, and fun. **Thank you Martha!**



- In June all students and staff were provided with COVID-19 test. All results return negative. Furthermore, none of our community members have been infected by COVID-19, to date of this report. This is an extraordinary achievement, given the living conditions many face each day and the underlying medical conditions many live with. We are proud that the community have all supported each other and protected themselves, using the clear information and preventive tools given to them from Hope for Children through the pandemic.



1. The School of St Yared

Despite the pandemic and official restrictions, the school continued to provide its core purpose of educating selected students but also to serve, cater for and assist their entire community.



The school offered support to its community as its crucial step to ensure they wellbeing and safety through the pandemic. Regular assessment and communication with the community representatives allowed for better understanding their needs and financial, social, health related and other constraint.

The food support services to all SSY families continued as we know how important the school feeding program is. Sanitary materials were also frequently distributed and all our girls in need received regular supply of sanitary pads.

All school of St Yared's staff eagerly returned to the school grounds in the last week of September. The excitement of being back to the school was much more than uncertainty created by constantly growing COVID-19 cases in the country.

The staff were allowed to return to work but not students. All teachers were working very hard to prepare the school for reopening as soon as it was allowed and at the same time, they continued providing educational materials and support for all students still studying at their homes. .



The school followed Official guidance and many preventive measures were introduced to allow for safe return of students and staff. All children and staff to be checked by the school nurse every morning before entering the compound. Every person at the school compound is required to wear a face mask as well as the school is cleaned throughout the day. Social distancing also was implemented, especially during feeding time.



From the second week of October students graduating Grade 8, were permitted to attend the school for intense preparation to the National Exam which was to determine their further education.

This exam usually take place in July, right after a school year is over, however due to COVID-19 restrictions and uncertainty it was postpone until December.

All 8-graders attended school six days a week for 10 weeks to ensure they were ready for this crucial exam. They were also provided with three nutritious meals every day and additional pastoral care.



The school formally reopened for all students at the beginning of December. A new intake of 36 young children was welcomed, too.

All students have undergone regular medical check-up in January and February. Students with new health issues received further medical services and students with on-going health issues were reassessed. All new students went through comprehensive medical check so they school health records could be created.

Afterschool program has been developed by our Australian teachers' mentor to assist all students with any concerns or difficulties they may have due to the last school year challenges. To assist with afterschool classes and tutorials 5 new teachers were employed. The organization also employed a school counsellor to assist the school nurse with some social-emotional issues our students faced due to the pandemic impact on their families.

This year Grade 8 students sat the national exams already and all results were in the top 10% of the country, with 7 students in the top 2%. The final results for the year will be available at the beginning of August.



Considering very challenging school year SSY students did very well. Particularly, our oldest students, high school results have been exceptional. With the oldest students finishing year 11 in July, they will be offered support over the summer break to assist them with their final year of school.



Ethiopian political situation

The political situation in Ethiopia has been attracting world attention since the unrest in North Ethiopia, Tigray, started in November last year.

There is very limited information about the conflict available to Ethiopians and to the date there is no direct impact on our organization activities.

However, security of the HFC compound has been strengthened as per the Government recommendation. In May, one month prior to the National Election, HFC has engaged a professional security agency to secure the property. HFC Emergence Response Plan has been updated and an alternative communications channels established.

The situation is closely monitored by HFC HQ in Australia by regular updates from the Australian Embassy in Addis Ababa. A political update is a regular item on the HFC Management meeting agenda.

Summary for budget utilisation (July 1, 2020 - June 30, 2021)

In the reporting period HFC has made serious effort to wisely utilize the finical resource allocated for the project regardless of the impact of COVID-19 pandemic continues raise of prices of goods and services.

Extra funding has been allocated to the feeding program and medical services. To allow for HFC staff and SSY students wellbeing and community support during the COVID-19 pandemic. Originally the feeding program was budgeted for SSY students only however since April 2020 the program has been extended to all SSY students' families (approximately 2,500 community members) to allow them to survive through the pandemic.

Additional medical services were introduced- disposable gloves, face masks, sanitizers, COVID-19 testing and COVID-19 vaccine.

Throughout the reporting period Ethiopian inflation rate has been soaring. At the end of June, the inflation rate officially reported was 24%. Food inflation has reached 30% whereas non-food inflation is in a low 18%.

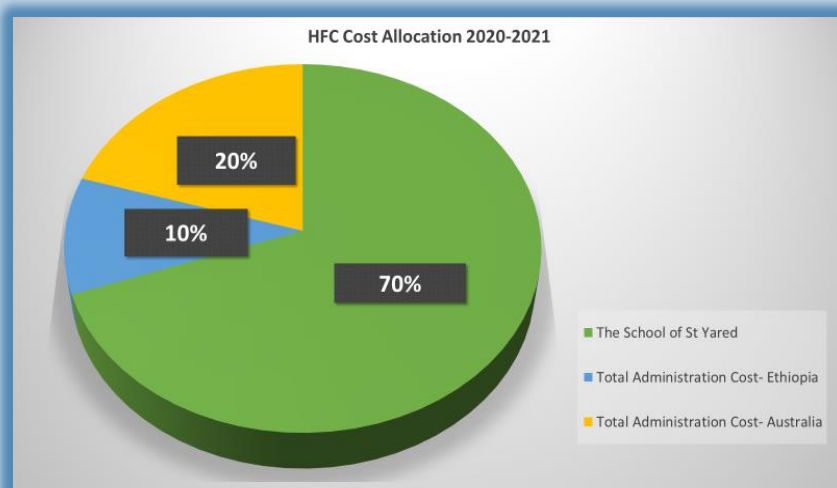
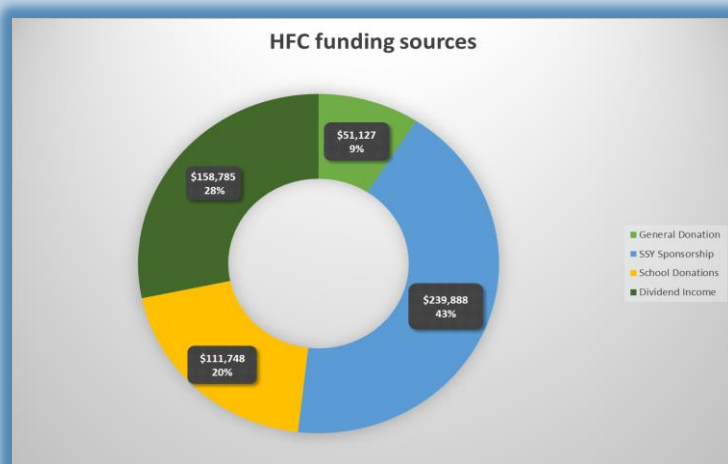
To prevent funding shortage due to increasing costs HFC management has introduced additional measures and financial controls.

Wholesale, bulk purchasing and long-term purchasing contracts were introduced to avoid exciding the approved budget. Additionally, to minimize risk of FX losses funding transfers have been limited to one month of operational expenses.

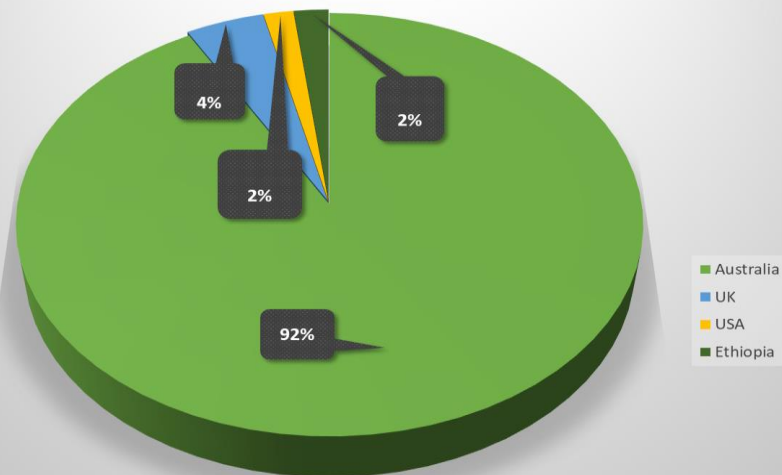
At the same time the FX rate AUD to ETB has been increasingly favourable raising from 20 (July 2020) to 32 (June 2021). The favourable exchange rate has allowed for significant saving which was allocated to COVID-19 response services.

The variance in budgeted cost and YTD cost as at 30 June 2021 is also due to the school year starting two months later and being extended to the end of July 2021. Therefore, one month of the school expenses is not accounted for in the reporting period.

Budget Category	Planned	Performance	Utilisation Rate
The School of St Yared	\$ 354,652.00	\$ 306,270.50	86%
Total Administration Cost- Ethiopia	\$ 79,440.00	\$ 45,134.82	57%
Total Administration Cost- Australia	\$ 89,339.44	\$ 89,238.55	100%



Donations by Country



ELDERTON

AUDIT PTY LTD

Auditor's Independence Declaration

To those charged with governance of Hope For Children Organization Australia Limited

As auditor for the audit of Hope For Children Organisation Australian Limited, for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Rafay

Rafay Nabeel

Audit Director

Perth

29 November 2021

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We are grateful for the support of our partners and donors. It is only through active collaboration and continued belief in our mission that we are able to deliver high quality programs to serve communities in Ethiopia.



THANK YOU



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